

**TESTIMONY BEFORE THE
INSURANCE AND REAL ESTATE COMMITTEE
LEGISLATIVE OFFICE BUILDING
MARCH 3, 2015**

My name is Jennifer Herz and I am Assistant Counsel for the Connecticut Business and Industry Association (CBIA). CBIA has been representing Connecticut's employers for 200 years and our goal is to foster a dynamic business climate. Our members include businesses from across the state of all sizes and industry types and we are proud to say the vast majority of our members are small companies employing less than 50 people.

CBIA appreciates the need for HB 1093 An Act Concerning Revisions to the Health Insurance Statutes.

CBIA has concerns with the definition of small employer as current drafted in the bill. The Affordable Care Act (ACA) defines a "small employer" as an employer with less than 50 employees. The ACA also states that the definition of "small employer" changes in 2016 and increases the threshold to 100 employees.

CBIA's concerns stem from the reality that a number of requirements included in the Affordable Care Act have been delayed and it is quite possible that the small employer definition change in 2016 may be delayed as well.

Currently, Section 17, line 1357 of this bill calls for the 2016 change in the definition of small employer as stated drafted in the ACA but does not take into account the possibility of a federal delay. CBIA respectfully suggests this line could be modified so that in the event of a federal delay in the change of the definition of small employer the state definition would remain the same as the federal definition. And, then once the federal definition expands to 100 the state definition should follow suit.

As you know the relevant state insurance rules applicable to small group are quite unique from large group. The bottom line is that remaining in step with the federal rollout of the ACA will make it less confusing for Connecticut's employers. Many employers are still adapting to the changes of the ACA and additional modifications at a time when the federal government may recognize the need to slow down the process is unnecessary.

Thank you for the opportunity to offer CBIA's comments. I look forward to having the opportunity to work with the Committee on this issue.